

has been in existence for at least twenty years prior to July 1, 1968, and (3) maintains an automatic reinsurance treaty filed with and approved by the Commissioner reinsuring liability coverages issued by it in excess of a net amount of retention satisfactory to the Commissioner.]

**253. Mutuals; Assessable Basis; Assets Required.**

(a) A mutual insurer which proposes to or is writing assessable policies must comply with all the requirements of this Article except that the financial requirements of this section shall apply in lieu of Sections 48, 49, 50 and 72.

(b) Such an insurer shall hold bona fide applications for insurance upon which it shall issue simultaneously, or it shall have in force, at least twenty policies to at least twenty members for the same kind of insurance, upon not less than two hundred separate risks, each within the maximum single risk described herein.

(c) For the purpose of transacting workmen's compensation and employer's liability insurance, the application shall cover not less than two thousand employees, each such employee being considered a separate risk for determining the maximum single risk.

(d) The "maximum single risk" shall not exceed twenty per cent of the admitted assets, or three times the average risk, or one per cent of the insurance in force, whichever is the greatest, any authorized reinsurance taking effect simultaneously with the policy being deducted in determining such maximum single risk.

(e) Such an insurer shall have collected an annual cash premium, or a full premium for the term for which the policy is written, if for less than a year upon each application required for organization, the total of which premiums shall be held in cash or in investments authorized for capital and reserve under subtitle 7, and the total assets, excluding any borrowed money or other borrowed assets, other than borrowed surplus under Section 266 shall, for each kind of insurance business specified in Section 48 of subtitle 3 of this article (except as prohibited under Sections 252 and 369), be not less than two hundred and fifty thousand dollars (\$250,000) and shall exceed the amount required for reserves and all other liabilities by not less than one hundred and twenty-five thousand dollars (\$125,000).

(f) To qualify for authority to engage in two or more of the kinds of insurance business permitted to be written on an assessable basis under this Article, the assets of a mutual insurer writing assessable policies shall be not less than five hundred thousand dollars (\$500,000) and shall exceed the amount required for reserves and all other liabilities by not less than two hundred and fifty thousand dollars (\$250,000).

*(g) Notwithstanding the other provisions of this section, any domestic mutual insurer writing assessable policies which is licensed only for property insurance and casualty insurance other than motor vehicle physical damage insurance, motor vehicle liability insurance, or workmen's compensation, shall not be required to have any greater amount of assets or surplus than it would be required to have if it wrote only one kind of insurance, if such insurer (1) restricts its operations to the county where its principal*